

October 24, 2017

IBank Announces Disaster Relief Programs for Small Businesses Affected by Wildfires

(Sacramento, Calif.) In response to the unprecedented wildfires plaguing the state, the California Infrastructure and Economic Development Bank (IBank) Board of Directors approved the recommendation of the IBank Executive Director to assist eligible small businesses affected by the state of emergency with disaster relief programs.

“Many small businesses in areas affected by the wildfires have suffered loss to real and personal property and face an uncertain future that could lead to ruinous financial damage”, said Teveia Barnes, IBank Executive Director. “Some of these businesses may not be able to obtain the access to funds they need to recover from these disaster-caused losses without some kind of credit enhancement,” she said.

In response, IBank has developed two programs for disaster relief borrowers. The first is to expand its existing State Small Business Loan Guarantee Program. The Board agreed with the Executive Director’s recommendation to provide up to \$10 million for a Disaster Relief Loan Guarantee Program (DRLGP). IBank will issue loan guarantees through its partner Financial Development Corporations to help small business borrowers in declared disaster and emergency areas who need term loans or lines of credit for working capital. Small businesses, including small farms, nurseries, agriculture-related enterprises and nonprofits that have suffered an economic loss and/or physical damage may apply. The DRLGP will help lenders and small businesses by providing loan guarantees of up to \$1 million for Disaster Relief Borrowers.

In addition, IBank is offering loans from \$500 to \$10,000 to low-wealth entrepreneurs in declared disaster and emergency areas through its Jump Start Loan Program.

IBank established the Jump Start Loan Program in 2016 as a small loan and financial literacy/technical assistance program designed for low-income small businesses in low-wealth communities, including businesses owned by women, minorities, veterans, people with disabilities and those previously incarcerated. “The disaster relief program is being expanded to include state and/or federally declared disaster or emergency areas,” Barnes said.

Access to IBank’s Disaster Relief Loan Guarantee Program and Jump Start Loan Program can be made through its partner Financial Development Corporations (FDC). For a listing of the FDCs for each program, visit IBank’s [website](http://www.ibank.ca.gov).

About the California Infrastructure and Economic Development Bank:

IBank was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy and improve the quality of life in California communities. IBank is located within the Governor's Office of Business and Economic Development and is governed by a five-member Board of Directors. IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. Find more information at <http://www.ibank.ca.gov>.

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